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A-ONE #1047   11/21/08

~ HP Intros New Notebook ~ People Are Talking!   ~ New OLPC "Re-boot"!
~ Psystar Loses Battle! ~ Spammers Sent Packing! ~ HS Musical Malware!
~ Most Using Open Source ~ Google's Lively To Die ~ Web Helps Teens!

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    ~ Pentagon Flash Drives  ~ New IE8 In Early 2009! ~ Microsoft's Morro!

                    -* Yahoo's Ultimate Search: CEO *-
                 -* Ballmer Still Dismisses Yahoo Buyout *-
                -* PC Magazine Dropping Print for Online Form *-




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->From the Editor's Keyboard              "Saying it like it is!"
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It looks like the arctic cold of winter has swept down on us lately; damn,
it's been cold! It's still November, and Thanksgiving a week away - this
is not natural (no pun intended!). I'm not ready for winter yet!

Started a new job this week - what an experience. I thought that I was
in for a grueling and tough time when I started working at a golf course
a couple of years ago, but this new job is making that seem like a cake
walk! I guess that I'll get used to being on my feet for five or six
hours at a whack, but I can tell you that I'm feeling my age!

Next week is the Thanksgiving holiday. I realize that with all that is
going on in the world today, we're all probably not in as much of a
celebratory mood as we'd like to be. However, try to remember that this
is a time to be with family and friends - and to be thankful for these
things that we often take for granted. Have a great Thanksgiving, from
all of us here at A-ONE!

Until next time...

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->In This Week's Gaming Section  - National Geographic Games!
  """"""""""""""""""""""""""""""""   "World of Warcraft" Rivals!
                                     Lara Croft Is Back!



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->A-ONE's Game Console Industry News  -  The Latest Gaming News!
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              Videogame Icon Lara Croft Embarks on Her Latest
                  Adventure With Tomb Raider: Underworld
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Eidos Interactive Ltd. Monday announced that Tomb Raider: Underworld has shipped to retailers for the Xbox 360 videogame and entertainment system from Microsoft, Games for Windows, PlayStation computer entertainment system, Wii and Nintendo DS. Starring videogame icon Lara Croft, Tomb Raider: Underworld is an epic adventure that delivers advanced exploration-based gameplay that gives players a new level of challenge and choice as they solve mysteries from exotic locations around the world.

"Tomb Raider: Underworld brings to life a realistic world that fully compliments Lara Croft's bold personality," said Sean Vesce, General Manager of Crystal Dynamics. "We continue to innovate on the brand that defined the action-adventure genre and we are excited to introduce fans and gamers to an immersive, believable world that they can explore and conquer."

Tomb Raider: Underworld seamlessly blends exploration, grand scale puzzle solving and combat, taking players on an archeological journey to the ancient nether worlds of the Mediterranean, Thailand, Mexico, the Arctic Sea and more. As fearless adventurer Lara Croft, gamers uncover proof of the existence of the Norse underworld and the mythical Hammer of Thor, and embark on a perilous journey towards a forgotten power that, if unleashed, could lay waste to all of civilization. Lara's latest adventure introduces scores of new capabilities and state-of-the-art gear, including an active sonar map, multi-purpose grapple and an all-terrain motorbike. With fresh moves that are more intuitive and realistic than ever before, players must master these in order to navigate through treacherous environments and defeat a range of hostile enemies.

Beginning this holiday, fans can extend their Tomb Raider experience with two new downloadable chapters that will be available exclusively on Xbox Live Marketplace for Xbox 360. The first new chapter, Tomb Raider: Underworld - Beneath the Ashes, will be available in December and takes place after the Underworld story has finished and features a new environment to explore and additional secrets to unlock. The second chapter, Tomb Raider: Underworld - Lara's Shadow, will follow in early 2009 and introduce a new playable character to the Tomb Raider experience.

Tomb Raider: Underworld is rated "T" for Teen and is available on the Xbox 360 and PayStation 3 for the suggested retail price of $59.99. It is also available for Games for Windows and Wii for $39.99 and Nintendo DS for $29.99. Tomb Raider: Underworld will ship for the PlayStationfi2 computer entertainment system in early 2009.

Tomb Raider: Underworld is developed by Crystal Dynamics and published by Eidos Interactive Limited and co-published in North America by Eidos, Inc. and Warner Bros. Interactive Entertainment. For more information, visit the official site at http://www.tombraider.com.

"World of Warcraft" Has Rivals Racing for New Worlds

"World of Warcraft" has become a phenomenon among role-playing interactive online games with its unrivaled success leaving competitors racing to draw gamers into new virtual worlds.

Fans of the massively-multiplayer online (MMO) game by Blizzard Entertainment, a unit of Vivendi Games, lined up outside stores around the world this month to get the game's second expansion pack "World of Warcraft: Wrath of the Lich King."

"World of Warcraft," which creates a vast interactive world, has about 11 million people worldwide registered as players, paying around $15 a month to explore the fantasy role-playing universe of Azeroth.

The second expansion pack gives players access to the forbidding continent of Northrend where the malevolent Lich King Arthas seeks to end life on Azeroth.

Michael Pachter, videogame analyst for Wedbush Morgan Securities, forecast the new pack would sell about five million copies, cementing "World of Warcraft" as the dominant MMO game over about 150 rival games on sale or in development.

"'World of Warcraft' is probably 60 percent to 65 percent of the market in the U.S. and Europe, and a smaller percentage in Asia," said Pachter.

The game has become an obsession for some players.

Dr Richard Graham, a child psychiatrist at the UK's Tavistock Center, was reported as warning last week that some young people were damaging their social and mental development by playing the game for up to 16 hours at a time.

"The problem with World of Warcraft is the degree it can impact and create a socially withdrawn figure who may be connecting with people in the game and is largely dropping out of education, social opportunities," he told The Telegraph.

But its success among gamers has rival publishers struggling to get into the increasingly popular MMO market.

Brett Close, chief executive and president of 38 Studios, which is developing a new fantasy MMO game, said about 80 percent of MMO games fail but companies continue to try as the appeal is that players become part of that world and spend to stay there.

"You can either spend $20 million to $40 million on a traditional console game that well surpasses its cost over about a year, or double that to yield significantly larger annual profits for five-plus years with an MMO game," said Close.

Billy Pidgeon, videogame research manager at IDC, said it was tough to compete directly with 'World of Warcraft,' but Funcom's 'Age of Conan,' CCP Games' 'EVE Online,' and Electronic Arts' 'Warhammer Online' were doing fine.

CCP Games released its science fiction MMO game, "EVE Online," five years ago and the company has found a niche of 300,000 gamers which has grown with each of the eight free game expansions. The latest "Quantum Rising," came out last week.

"I expect companies to continue to try to get a piece of this growing market," said Pidgeon.

National Geographic Getting into Video Games

National Geographic, best known for its yellow-framed magazine and often breathtaking nature shows, is getting into video games.

National Geographic Ventures, a unit of the nonprofit National Geographic Society, was set to announce Tuesday it will work with game publishers to turn its material into games for PCs, consoles and handheld devices.

"Our content is extremely well-suited for a global gaming audience," said Paul Levine, a National Geographic executive who will lead the new games division. The games will be drawn from a broad range of content and themes across National Geographic's properties.

The first title - available now for computers and the iPhone - is "Herod's Lost Tomb," a simple hidden-objects game built on a story in the magazine's December issue and a television show about King Herod. It's produced in-house by National Geographic. The company is also working with Namco Bandai Games America and Sony Computer Entertainment to publish and distribute games under its brand for consoles like the Wii and the PlayStation 3.

Namco Bandai's "National Geographic: Panda" for the handheld Nintendo DS, available this month, plays something like "Nintendogs," the 2005 virtual pet game that had you taking care of a puppy, and the aptly named "Zoo Tycoon" that puts you in charge of a zoo, Levine said.

While the games seek to offer "entertainment with substance," Levine said he doesn't expect them to be used in schools.

"They are games, first and foremost," he said.

Other upcoming titles include "Rain Forests" and "Greencity," slated for next year from National Geographic, as well as "National Geographic: Africa," available next month from Sony.

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A-ONE's Headline News
The Latest in Computer Technology News
Compiled by: Dana P. Jacobson

Yahoo's Ultimate Search - A New CEO

With the announcement Monday that Jerry Yang would step down as its chief, Yahoo's search for a new CEO will not only be closely watched by its investors but also the folks at Microsoft, according to sources.

In part, two names that industry players and headhunters point to as

having a possibly good fit already have Redmond running through their veins. One is former Microsoft online and Windows chief Kevin Johnson, who recently left to take a CEO post at Juniper Networks and the other is Brian McAndrews, senior vice president of Microsoft's Advertiser and Publisher Solutions Group, who came by way of the aQuantive digital advertising acquisition.

"Take a sharp guy like a Brian McAndrews, who built up aQuantive and later sold it to Microsoft. He would be a good fit for Yahoo," said David Nosal, who heads up executive search firm Nosal Partners.

Another digital media executive also pointed to McAndrews as an excellent fit for Yahoo's top job, given McAndrews' prior experience as a CEO in the digital media industry.

One Microsoft source, however, pointed to Johnson as a good fit for Yahoo's CEO post.

"Kevin is the kind of guy that Yahoo needs. He has excellent execution, understands technology, is a hard worker and people like working with him," said the Microsoft source, noting it may be difficult to lure Johnson to Yahoo, given he only recently began serving as CEO of Juniper Networks.

Yahoo is seeking to replace its embattled CEO, who will be stepping down from his post after a successor is found. The company has hired executive search firm Heidrick & Struggles International to assist it in its search.

Microsoft declined to comment on Yang's announced resignation plans.

The Internet search pioneer also has an internal CEO candidate, its president and former chief financial officer Sue Decker.

"Sue received great press as Yahoo's CFO, but her president's role has not generated as much good press," noted the Microsoft source. This source added it will be interesting to see whether Yahoo will use the CEO search process solely as a means to validate its selection of Decker as the CEO, or use the process to undertake an extensive CEO search.

One major Yahoo institutional investor hopes Yahoo will name an outsider as Yang's replacement.

"I hope she doesn't get it. She's been part of the problem. They need to clean house," said the investor, noting Yang's CEO resignation is long overdue.

Yahoo's investors have been incensed since Microsoft pulled its $33 a share buyout bid for the entire company last May. Yahoo had rejected the offer, countering with a proposal for $37 a share, before Microsoft broke off talks.

The Microsoft source said it will be interesting to see whether Yahoo names a CEO with a strong marketing background, or one with a seasoned technology background, or one with an extensive business background.

Executive recruiter Nosal said he could think of several people from Google, four from Microsoft and some from multi-media advertising companies who could serve as Yahoo's CEO.

"There are about 15 to 20 people around the world who could do this role," Nosal said, adding that the search process could take approximately 50 days.

Ballmer Dismisses Yahoo Buyout But Open on Search

Microsoft Corp. is no longer interested in buying all of Yahoo Inc., CEO Steve Ballmer said Wednesday, though he told shareholders that the company would still be "very open" to a collaboration on Internet search. His comments sent Yahoo shares diving by 19 percent.

"Let me be clear," Ballmer said at Microsoft's annual shareholder meeting. "We are done with all acquisition discussions with Yahoo."

Yahoo spurned a $47.5 billion takeover offer from Microsoft in May, and later rejected Microsoft's bid to buy only its search engine. Ballmer has said repeatedly of late that the buyout remains off the table, though a search-related deal is possible.

But Wednesday marked the first time he had renewed that stance since the resignation announced this week by Yahoo CEO Jerry Yang, who had resisted Microsoft's overtures. Yahoo shares rose when Yang said he would step aside, because investors hoped it meant a deal with Microsoft would now be more likely.

Ballmer said the companies are not currently talking about a search deal.

Yahoo shares plummeted $2.20 to $9.35 in afternoon trading, well below the $33 per share that Microsoft offered in May. Microsoft shares tumbled 57 cents, 2.9 percent, to $19.02. The shares hit a 10-year low of $18.74 last week.

Michael McDonald, a shareholder who flew from Atlanta to attend the meeting, blames Microsoft's run at Yahoo for depressing its share price and hopes the software maker doesn't try again.

McDonald, a retired advertising executive, called the race to win in Web search and advertising "the dot-com bubble all over again. The economic period we're in now is going to prove the questionable value of search."

Instead, he'd rather see Microsoft cut employees and expenses, or spend cash to buy business software companies.

"We don't need three Googles," he said.

Some analysts have interpreted Ballmer's public comments about a Yahoo buyout as negotiating posturing, and suspect Microsoft might still want to grab Yahoo at a low price, in hopes of improving their joint position in online search and advertising. However, analysts have also said Microsoft is likely to wait until next year before deciding, giving it time to watch Yahoo's performance and study the antitrust regulatory climate in a new administration in Washington.

In his remarks, Ballmer attempted to reassure shareholders that Microsoft can thrive despite the economic downturn, citing the software maker's long-term research and development spending and new products that mix desktop software and over-the-Internet computing.

When a shareholder, alluding to Microsoft's languishing stock price, asked Ballmer when Microsoft's best years would arrive, the CEO countered that every year is Microsoft's best year. Then he jokingly added, "If we could get this economic thing headed in the right direction ... I'm not going to pretend we have control over that. You'd better call D.C."

Psystar Loses Antitrust Shield in Mac Clone Battle

A federal judge on Tuesday dismissed charges from Mac clone maker Psystar accusing Apple of running a monopoly. Psystar sued Apple in U.S. District Court claiming violations of the Sherman Antitrust Act and the Clayton Antitrust Act.

The Doral, Fla.-based Psystar accused Apple of forcing a tie between the Mac OS X operating system and Apple's hardware in the end-user licensing agreement. Psystar argued that Apple's EULA unlawfully restrained trade by barring users from installing its operating system on non-Apple hardware.

Psystar sells computers that run Apple's operating system for a fraction of the cost of Apple computers.

Judge William Alsup ruled that Apple did not violate federal and state antitrust laws. Psystar's claim did not meet the requirements of law, the judge said.

"Indeed, Psystar's allegations are internally contradictory. Psystar alleges that Mac OS is, by definition, an independent and unique market. That is, Mac OS, by definition, admits no reasonable substitutes," Judge Alsup wrote in his ruling.

"Psystar further avers, however, that Apple engages in the alleged anticompetitive conduct 'in order to protect its valuable monopoly in the Mac OS market and, by extension, Apple-labeled computer hardware systems from potential competitive threats,'" the judge wrote, "and that Apple's 'unreasonable restraints on trade allow Apple to maintain its monopoly position with respect to the Mac OS and Apple-labeled computer hardware systems submarket.'"

Ilan Barzilay, an intellectual-property attorney at Wolf Greenfield in Boston, wasn't surprised by the judge's ruling. The critical determination in any antitrust claim is the definition of the market, he explained. Antitrust plaintiffs want to define the market as narrowly as they can and the defendant wants to define it broadly. Psystar failed to define it narrowly.

"Psystar's only way of succeeding was to define the market as Apple products because Apple owns less than 10 percent of the overall PC market - and that's not a monopoly. You have to face the sniff test on that," Barzilay said.

"Psystar had to convince the court that Apple computer is a subset of the PC market that, by itself, is a separate market that ought to be considered for antitrust purposes," he said. "The court disagreed. Psystar had an uphill battle to begin with."

Psystar has 20 days to amend its complaint and argue its case before the judge. Psystar's suit is a countermove against a suit by Apple that claims Psystar is violating copyright laws and Apple's EULA by selling clones running Mac OS X.

Apple sued Psystar in July after the company started selling Apple clones. Apple's suit seeks to shut down the company, and Alsup's decision puts Apple in a stronger position as that case progresses. Indeed, Barzilay called the judge's ruling a major blow to Psystar.

Psystar's battle plan, in part, was to push the monopoly message and use it as a shield against Apple, Barzilay explained. The court took that shield away early in the legal process.

"It would not surprise me if Apple's suit did not run its course," Barzilay said. "It could be cut off early somehow by a settlement from Apple or Psystar, or Psystar just folding under the pressure because they can't get enough product out the door."

Pentagon Bans Computer Flash Drives

The Pentagon has banned, at least temporarily, the use of external computer flash drives because of a virus threat officials detected on Defense Department networks.

While defense officials would not publicly confirm the ban, messages were sent to department employees informing them of the new restrictions. As part of the ban, the Pentagon was collecting any of the small flash drives that were purchased or provided by the department to workers, according to one message distributed to employees.

Workers are being told there is no guarantee they will ever get the devices back and it is not clear how long the ban will last.

Pentagon spokesman Bryan Whitman would provide no details on the virus Friday, but he described it as a "global virus" that has been the subject of public alerts.

"This is not solely a department problem, this is not solely a government problem," Whitman said.

The Pentagon has acknowledged that its vast computer network is scanned or probed by outsiders millions of times each day. Last year a cyber attack forced the Defense Department to take up to 1,500 computers off line.

Officials said then that a penetration of the system was detected, but the attack had no adverse impact on department operations.

However, military leaders have consistently warned of potential threats from a variety of sources including other countries - such as China - along with other self-styled cyber-vigilantes and terrorists.

The issue has also been of concern at the Department of Homeland Security. A September audit by the DHS Inspector General recommended that the agency implement greater procedures to ensure that only

authorized computer flash drives or other storage devices can be connected to the network there and that an inventory of those devices be set up.

DHS agreed with the recommendations and said some of that is already being done. DHS also said more software enhancements are in the works that will provide more protection.

'$100 Laptop' Group Reboots Give 1 Get 1 Offer

The One Laptop Per Child project is set to resume its Give One Get One promotion for its kid-friendly computers Monday with logistics help from Web retailer Amazon.com Inc.

With Give One Get One, shoppers spend about $400 to buy one of OLPC's rugged green-and-white XO laptops and donate a second to a child in a developing country.

Cambridge, Mass.-based One Laptop Per Child, a nonprofit, sells the XO machines to governments in developing countries that give the computers to schoolchildren. The laptops use less power than regular PCs, and are designed to work in demanding, rural conditions. Almost all of them run open-source software, but versions that can run Windows are expected to be available next year.

The organization's long-term goal is to get the laptops down to $100, but the machines currently carry a $199 tag. OLPC had been charging $188, before increasing production costs forced the organization to raise the price.

About 473,000 XO laptops have been distributed in 31 countries, with nearly 200,000 more waiting to find their way into schools.

Last year, OLPC's Give One Get One campaign drew orders for more than 160,000 XO laptops in less than two months, more than half of which were routed to Rwanda, Ethiopia, Afghanistan and other poor countries. But the program was plagued by delays that frustrated buyers, in part because different vendors handled different aspects of ordering and delivery, said OLPC founder Nicholas Negroponte.

Working with Amazon, which is providing its services at cost, should help avoid similar hiccups this time, Negroponte said. Amazon declined to comment on the terms of the arrangement.

Amazon's U.S. and U.K. sites will be set up to take orders. U.S. shoppers who order XOs can expect to get their machine this year. Orders placed to other countries through the U.K. site won't be delivered until 2009.

PC Magazine Dropping Print for Online

PC Magazine, which has documented the explosive growth of the personal computer since 1982, announced on Wednesday that it was dropping its print edition next year and going online only.

PC Magazine publisher Ziff Davis Media, which recently exited Chapter 11 bankruptcy, said in a statement that the final edition of the iconic magazine would be the January 2009 issue.

Ziff Davis said PC Magazine, which has suffered a steep drop in advertising as scores of competing publications cropped up on the Internet, will go "all-digital" at PCMag.com.

"Moving our flagship property to an all-digital format is the final step in an evolutionary process that has been playing out over the last seven years," Ziff Davis Media chief executive Jason Young said.

"Since 2000, online has been the focal point where technology buyers get their information and technology marketers are directing their dollars to drive demand and build their brands.

"We have been carefully preparing for this step and are fortunate to have a digital business that has the scale, profit, and opportunity to carry the brand powerfully into the future," he said.

PaidContent.org, which covers digital media, said seven employees will be laid off as a result of the closure of the print edition of the magazine. The Ziff Davis Media statement made no mention of any job reductions.

PC Magazine is the latest US publication to drop its print edition and move to a Web-only format.

US News & World Report, long the number three newsmagazine in the United States behind Time and Newsweek, announced earlier this month that it was abandoning print for the Web and the 100-year-old newspaper the Christian Science Monitor announced plans recently to do the same.

Google's Virtual World Lively To Die Next Month

Lively, a virtual reality service from Google Inc., is dying.

The company plans to shut down the service at the end of the year, reflecting Lively's inability to stand out from the rest of the virtual reality crowd. The pack of faux worlds is led by Second Life, where people deploy animated alter egos known as avatars to pursue digital fantasies.

Google introduced Lively to much fanfare in July, but management concluded it needed to sharpen its focus on its primary business of Internet search and advertising as the company's revenue growth decelerates in the deteriorating economy.

"We've also always accepted that when you take these kinds of risks not every bet is going to pay off," Google wrote in a blog post late Wednesday.

Even so, shutting down the service represents one of the few times Google has retreated since its inception a decade ago. Emboldened by its dominance of the lucrative search advertising market, Google has been extending its tentacles into other Internet markets, such as photo sharing, online payments and e-mail.

In one of its most significant steps back before this one, Google in 2006 abandoned a service that hired researchers to answer questions from users.

The employees who had been working on Lively will be reassigned to other jobs after the service shuts down, according to Google's blog.

Gartner: 85 Percent of Companies Using Open Source

Eighty-five percent of companies are already using open-source software, with most of the remaining 15 percent expecting to do so within the next year, according to analysts at Gartner.

However, only 31 percent of companies surveyed by the analyst house had formal policies for evaluating and procuring open-source software (OSS). Gartner conducted its survey of 274 end-user organizations across the Asia/Pacific, Europe, and North American markets in May and June, and announced the results on Monday.

Respondents to the survey consistently pointed to cost as a prime motivator for their adoption of open source, with some also suggesting OSS provided some protection against single-vendor lock-in. Other reasons for adoption included fast time to market and the avoidance of complex procurement rules and procedures, Gartner said.

However, according to Gartner, a lack of formal policies could open companies up to intellectual-property violations. The analyst house's survey put governance issues at the top of the list for barriers to OSS adoption.

"Just because something is free doesn't mean that it has no cost," said Gartner research director Laurie Wurster in a statement. "Companies must have a policy for procuring OSS, deciding which applications will be supported by OSS, and identifying the intellectual property risk or supportability risk associated with using OSS. Once a policy is in place, then there must be a governance process to enforce it."

Wurster added that the variety of license types and forms for open-source software could make understating when and where OSS might fit in a "frustrating process."

"As time goes by, many of these concerns will be addressed, but this continues to be a slow process," Wurster said. "Increases in OSS popularity and in the rate of OSS adoption will drive the required changes."

In terms of the business processes for which open-source software is being used, customer service headed Gartner's list, although enterprise integration, finance and administration, and business analytics also showed strongly.

Hewlett-Packard Intros Notebook with Multi-Touch Screen

Hewlett-Packard has taken the wraps off the TouchSmart tx2 - the PC maker's first convertible notebook screen to include capacitive multi-touch technology.

The machine's touch-sensitive screen and MediaSmart software work together to recognize and execute commands based on motions such as pinch, rotate, arc, flick, press and drag, as well as single and double taps. The technology combo enables users to more naturally select, organize and manipulate photos, music tracks, video clips and other Web content by touching the screen - including content from 10 cable-TV channels and online brands owned by MTV Networks.

"With the introduction of the TouchSmart tx2, HP is providing users with an easier, more natural way to interact with their PCs," said Ted Clark, the manager of HP's notebook group.

Empowered by Windows Vista Home Premium, the tx2 sports an AMD Turion X2 dual-core mobile processor, a built-in Webcam with integrated microphone, and a rechargeable digital ink pen. The laptop's convertible design also incorporates a twist hinge that enables the machine to be configured in three different modes: PC, display and tablet.

Users can transform the tx2 into a tablet PC in order to write, sketch, draw, take notes or graph right onto the screen, with handwriting automatically converted into typed text. The tx2 also ships with a notebook stand that elevates the unit while stationary, which enables the user to put the machine in an upright position to allow for full interactivity with the device's touchscreen.

Rival Dell blazed a trail in the multi-touch notebook field late last year with the introduction of the Latitude XT - a convertible tablet PC priced at $1,829 that features both pen and capacitive touch capabilities. However, HP's TouchSmart tx2 is available now at a base price of $1,149.

With its release of the tx2, HP has acted to strengthen the appeal of its consumer-product portfolio in advance of what is shaping up to be an especially tough holiday season for PC vendors. And the company's renewed focus on the mobile-PC segment is understandable, given the rising popularity of mobile-computing products overall.

Mobile PCs accounted for "a little over 50 percent" of all computer shipments in the third quarter of 2008, "exceeding global desktop PC shipments for the first time," said Mika Kitagawa, a principal analyst at Gartner.

However, HP's mobile-PC growth in the third quarter was below the worldwide average, Kitagawa noted. "It was partly because they were not aggressive" in bringing new mini-notebook products to market at a time when these low-cost devices were experiencing strong growth, she explained. HP should benefit from its recent addition of three new mini-notebook models.

Though individual companies such as Acer and Asus are enjoying success in the popular mini-notebook market niche, HP's emphasis on appealing to a broader market has its adherents. "HP's vast product offerings should help it to weather the current economic climate and enable it to grow as the market begins to recover," predicted IDC analysts.

Microsoft To Offer Free Security Software

Microsoft Corp said Wednesday it will discontinue sales of its
subscription PC security service and instead offer free software to help
protect computers from viruses, spyware and other threats.

With the move, the software giant appears to be taking aim at McAfee Inc
and Symantec Corp, its chief rivals in the PC security market.

Microsoft plans to halt sales of its Windows Live OneCare service on
June 30. The service being discontinued costs $49.95 a year and covers
up to three PCs.

The new security program, which the company has code-named "Morro," will
be available as a free download in the second half of next year.

Morro is designed to work with smaller, less powerful computers, the
company said, which should make it appeal to a wide group of consumers.

However, McAfee said the move is a sign of capitulation on the part of
Microsoft. McAfee said OneCare managed to capture less than 2 percent of
the market in the two years it has been out.

"Microsoft is giving up," a McAfee spokesman said. "They are now
defaulting to a dressed-down free model that doesn't meet consumer
security needs."

Microsoft has a history of butting heads with its competitors in the PC
security space. In 2006 and 2007, Symantec and McAfee raised concerns
that Microsoft had designed Windows Vista to deny them access to the
heart of the operating system, which they needed to protect it from
certain kinds of malicious software.

After negotiations, and some prodding from antitrust regulators in
Brussels, Microsoft said it would provide the information needed.

Microsoft's Morro Could Challenge Security Giants

McAfee and Symantec could be affected as Microsoft moves to provide
free antivirus software. If the software, code-named Morro, successfully
protects against viruses, analysts said, it could mean an exodus from
well-known security brands.

On Tuesday, Microsoft announced a security offering focused on
protecting against malware. The software giant is addressing what it
sees as a growing need for a security solution that meets the unique
needs of emerging markets and smaller PC form factors.

"This could be third-time lucky for Microsoft in regards to an antivirus
product," said Graham Cluley, a senior security consultant at Sophos.
"They tried with MSAV in Windows 3.11/MSDOS 6.2, which wasn't terribly
successful - especially when it detected Windows 95 as a virus."

The secret sauce for Morro is in the architecture. It will offer
comprehensive protection from various forms of malicious software,

including viruses, spyware, rootkits and trojans, by focusing on a smaller footprint that uses fewer computing resources.

Microsoft said Morro is ideal for low-bandwidth scenarios or less-powerful PCs. By targeting the core anti-malware features that most consumers don't keep up to date, Microsoft said, Morro will provide the essential protection that consumers need without overusing system resources, and provide better protection against online threats.

As Morro comes on the scene, Microsoft will discontinue retail sales of its Windows Live OneCare subscription service, effective June 30, 2009. OneCare was Microsoft's second attempt at security. Although it was much better at detecting malware, Cluley said, it didn't capture a large home-user audience.

"Anything which encourages more home users to defend their PCs has to be encouraged, provided innovation and competitiveness is not stifled," Cluley said, "but consumers will have to wait until next summer to find out how good the product actually is."

Microsoft is moving early to educate the market about the product. Morro is built on Microsoft's malware-protection engine and will leverage the same core anti-malware technology that fuels the company's current line of security products.

Microsoft is promising Morro will deliver the same core protection against malware as Microsoft's enterprise solutions, but won't include many of the additional non-security features found in consumer security suites.

Morro will be available as a stand-alone download and offer malware protection for Windows XP, Windows Vista, and Windows 7. But not until next summer.

"In the meantime, I would expect McAfee and Symantec to have a few sleepless nights," Cluley said. "They will be worried that home users will be seriously tempted to switch their allegiances from a paid-for product to a free one."

One More Update, Then IE8 Will Be Final in 2009

Microsoft has announced that its final update of the current beta Internet Explorer 8 browser will be released in next year's first quarter - after which it will launch the final release. Some observers had been expecting the final update to be released this year.

After one more update of beta IE8 early in 2009, the next public release is "typically called a 'release candidate,'" Internet Explorer General Manager Dean Hachamovitch explained earlier this week on a company blog. The release candidate, he noted, indicates the end of the beta period.

"We want the technical community of people and organizations interested in Web browsers to take this update as a strong signal that IE8 is effectively complete and done," he added. "They should expect the final product to behave as this update does."

Practically speaking, he noted, this means testers should feel

comfortable testing sites and services with the early 2009 beta release, he said, making changes if needed for customer experience and reporting any critical issues back to Microsoft. The final release, Hachamovitch said, will be delivered after the company responds to any feedback on critical issues.

He added that "we will be very selective about what changes we make between the next update and final release."

However, a posting by a Microsoft technical manager earlier this year noted that IE 8 will be more favorably disposed to Internet standards, rather than proprietary Microsoft standards, as in the past. So browsing with the default settings could cause problems for pages and services designed for earlier IE versions.

The default mode will include greater compatibility with W3C Internet guidelines, CSS 2.1, and HTML 5, as well as improved support for AJAX techniques. An upcoming add-in from Microsoft can be used by developers so their pages are displayed according to IE7.

Hachamovitch reported that Microsoft has been going through extensive data on IE8's performance. This includes 20 million IE sessions, hundreds of hours of usability lab sessions, thousands of threads from user forums, and hundreds of hours "listening and answering questions in meetings with partners and other important organizations."

He added that this doesn't include data from users who choose to say yes to report a Web page problem when IE 8 has crashed or otherwise failed to perform correctly.

The additional time before final release will allow Microsoft to tweak any bugs and finalize several expected new features. News reports indicate that the additions are primarily in the area of privacy. For instance, one feature could include include private browsing so users can control whether the browser saves their history and other related data. Some observers have referred to this as porn mode.

Spammers Sent Packing, for Now, by Web Shutdown

E-mailers, enjoy the early holiday gift: Spam volume has been cut by more than half because Internet providers pulled the plug on a Web hosting firm that was allegedly helping some of the world's most dastardly junk e-mail gangs.

The break won't last long. Garbage e-mail levels are already swelling again, and are expected to return to normal in a matter of days.

'Tis the season, after all: The holidays are the busiest time of the year for spammers, and criminals are hustling to reconnect with potentially millions of virus-infected PCs that they once used to send spam - which accounts for 90 percent of the world's e-mail.

Spam fighters scored big last week with the takedown of McColo Corp., a U.S.-based company apparently catering to bulk e-mailers. But the battle against McColo also highlights the difficulty in squashing spam-sending operations. Slapping one down means it just pops up somewhere else.

"It is always a cat-and-mouse game, and we fully expect there will be a countermove," said Doug Bowers, senior director of anti-abuse engineering for Symantec Corp.

Companies like McColo can be difficult for law enforcement to take down. Authorities have to prove company officials knew crimes were being committed through their servers. Web hosting companies often argue that they don't monitor how customers use their services.

In this case, security researchers amassed evidence of wrongdoing on their own and confronted McColo's Internet providers to get the Web hosting service taken down.

McColo, which claims a Delaware mailing address and a data center in Silicon Valley, has been on security researchers' radars for more than a year. Many spam filters blocked messages coming through McColo's service.

The FBI declined to comment. However, it appears that spam senders used McColo's service to send commands to large numbers of PCs they had hijacked.

Having that conduit is critical. Spammers use networks of compromised computers - known as "botnets," or networks of robot or zombie PCs - to amass enough computing power to send millions of messages a day. The owners of those machines typically don't know their computers are secretly being used for this purpose. But criminals need a way to communicate with these computers and a Web hosting company willing to look the other way.

McColo representatives didn't return calls for comment from The Associated Press. McColo's Web site was no longer working.

A big problem in tracing the Web hosting companies responsible for enabling botnets is that the traffic from infected computers goes through different Internet providers, so the trail goes cold fast.

The case against McColo, first reported by The Washington Post, was built by security researchers over time and detailed in a recent analysis by HostExploit, a group that tracks Internet threats.

McColo was apparently a choke point for the spamming industry. Some of the world's biggest botnets operated through McColo's servers, according to security researchers.

Worldwide spam volume was about 153 billion e-mail messages on Nov. 11, the day McColo's Internet providers yanked its service. In two days, that dropped to 64 billion messages, according to IronPort, a security firm owned by Cisco Systems Inc.

It hasn't taken long for things to pick up again.

Security firm Sophos PLC reported Sunday that McColo was back online again after scoring service from a Swedish Internet provider. The service was withdrawn after the Internet provider heard from security researchers.

IronPort said Monday that spam volume was climbing, and had reached an estimated 71 billion messages.

Just a few years ago, when spammers lost access to a botnet of infected

PCs - because their Internet connection was severed - the operation could be decapitated. Now it's like cutting off an arm. The criminals can find another Internet provider, and they've changed their tactics to get things running again quickly.

One change in strategy includes seeding infected computers under their control with information about the location of other infected computers in that botnet. That means they only need to contact some of them after an outage to touch off a chain reaction to contact all the other infected computers and resurrect the entire army.

"This is a temporary reprieve," said Nilesh Bhandari, a product manager with IronPort, "and we should enjoy it while we can."

'High School Musical'-themed Malware Hits the Net

Teens and young adults interested in downloading High School Musical-related music and video on peer-to-peer networks should be wary of malware, warns Panda Security.

While this may be obvious to older computer uses, younger users may not yet have experience with the social engineering used by malware writers, the security vendor said Friday in a press release.

Social engineering is not new, of course, and its creators are constantly trying new ways to hook people in. The day after the U.S. presidential election, for example, there was a wave of Barack Obama-related video links that attempted to download malware as well.

If a person opens a High School Musical-themed video or song on any peer-to-peer network such as eMule or eDonkey, his or her computer may be infected with infected by VB.ADQ, the Agent.KGR Trojan, the adware Koolbar, or another strain of malicious code.

Panda recommends being cautious when downloading files. In particular, notice the file extension. Many of the malicious files have the extension ".exe," but that is rarely the case with a legitimate music or video file.

Study Finds Online Activities Help Teens' Development

Online games, social-networking Web sites, and chat rooms are empowering and motivating for teens and help with their development, according to a study released Thursday by the John D. and Catherine T. MacArthur Foundation at the American Anthropological Association's annual meeting. The study covered three years and 5,000 hours of observing teens online.

The report is part of a $50 million initiative to investigate how digital media affect the way teenagers learn and socialize. Twenty-eight researchers conducted the study.

"When adults look at teens today, they think what they are doing is different and seem to be wasting a lot of time online hanging out with their friends or playing video games, and these are activities that can

seem quite foreign," said Mizuko Ito, the report's lead author and a researcher at the University of California Irvine. "But when we look closely at what kids are doing, it's not much different than what their parents did. They are hanging out with their friends, finding romantic partners, and trying to identify their status and identity."

Ito added that today's teens are being raised with technologies that allow them to pursue self-directed learning on their own terms, on their own time, and without the restrictions of a classroom setting. This gives the teens a feeling of freedom and autonomy.

"This is very different from how kids learn in school when they are handed a set body of knowledge they are asked to master and the expertise really resides in the teachers," Ito said.

There were two significantly different categories in which the teens were motivated to engage online. They were either driven by interest or friendship, according to the 58-page report.

Four specific findings stood out from the rest of the research.

One major finding is that there is a generation gap in how parents and teens view the teen's online activities. Adults see the activities as a distraction and are left in the dark about what their teens are doing online. Teens, on the other hand, understand the value of the Internet and are motivated to participate.

Another finding shows that teens are not taking full advantage of the Internet. They are using the social networks to chat and post photos and make friends, which are important to their development, but they are not tapping into other existing opportunities and "geeking out" by learning about astronomy, foreign languages, and other subjects only a few clicks away.

Teens are also fine-tuning their social skills online by learning the basic social and technical skills needed to interact in today's digital world.

Peer pressure also takes on a new role online. Teens are reporting that they are more motivated by their peers online with public spaces that allow the teens to interact and provide feedback to one another.

While teens are using the Internet for both social and intellectual development, they are also facing significant challenges on how to manage their relationships online, according to the study.

Researchers say online media, messages and profiles posted by teens on social-networking sites such as MySpace and Facebook are often passed around through the Internet and are difficult to take back once they are posted. Controversial photos have been posted online for a specific audience, only to then filter through the Internet.

"Most parents knew very little about what their kids did online, and struggled to give real guidance and help," said Ito. In some cases, however, the researchers found that parents and their children came together around gaming or shared digital-media projects, where both kids and adults brought expertise to the table.